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26

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| Application Number                       | 09/867,068        |
| Filing Date                              | 05/29/2001        |
| First Named Inventor                     | Robert H. Scheer  |
| Art Unit                                 | 3623              |
| Examiner Name                            | Jarrett, Scott L. |
| Total Number of Pages in This Submission | 26                |
| Attorney Docket Number                   | 31083.05US5       |

## ENCLOSURES (Check all that apply)

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| <input type="checkbox"/> Fee Transmittal Form<br><input checked="" type="checkbox"/> Fee Attached<br><br><input type="checkbox"/> Amendment/Reply<br><input type="checkbox"/> After Final<br><input type="checkbox"/> Affidavits/declaration(s)<br><br><input type="checkbox"/> Extension of Time Request<br><br><input type="checkbox"/> Express Abandonment Request<br><br><input type="checkbox"/> Information Disclosure Statement<br><br><input type="checkbox"/> Certified Copy of Priority Document(s)<br><br><input type="checkbox"/> Response to Missing Parts/<br>Incomplete Application<br><br><input type="checkbox"/> Response to Missing Parts<br>under 37 CFR 1.52 or 1.53 | <input type="checkbox"/> Drawing(s)<br><input type="checkbox"/> Licensing-related Papers<br><br><input type="checkbox"/> Petition<br><input type="checkbox"/> Petition to Convert to a Provisional Application<br><input type="checkbox"/> Power of Attorney, Revocation<br>Change of Correspondence Address<br><input type="checkbox"/> Terminal Disclaimer (Substitute)<br><input type="checkbox"/> Request for Refund<br><input type="checkbox"/> CD, Number of CD(s) _____<br><input type="checkbox"/> Landscape Table on CD | <input type="checkbox"/> After Allowance Communication to TC<br><input type="checkbox"/> Appeal Communication to Board of Appeals and Interferences<br><input checked="" type="checkbox"/> Appeal Communication to TC<br>(Appeal Notice, Brief, Reply Brief)<br><input type="checkbox"/> Proprietary Information<br><input type="checkbox"/> Status Letter<br><input checked="" type="checkbox"/> Other Enclosure(s) (please identify below):<br>- Appeal Brief with Attachment in TRIPPLICATE<br>- check # 12425 for \$500.00<br>- return postcard |
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|--------------|--|----------|--------|
| Firm Name    | Customer No. 34018<br>Greenberg Traurig, LLP |          |        |
| Signature    |  |          |        |
| Printed name | Gary R. Jarosik                              |          |        |
| Date         | April 26, 2007                               | Reg. No. | 35,906 |

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Robert H. Scheer ) Examiner: Jarrett, Scott L.  
Serial No.: 09/867,068 )  
Filed: May 29, 2001 ) Art Unit: 3623  
Title: System And Method For ) Atty Doc.: 31083.05US5  
          Providing Integrated Supply )  
          Chain Management )

APPEAL BRIEF

Mail Stop Appeal Briefs - Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Dear Sir:

Appellant hereby appeals to the Board of Patent Appeals and Interferences from the Examiner's final rejection of claims 1-5, 9, 10, and 12-14 which rejection was set forth in the Office Action mailed January 30, 2007. A timely Notice of Appeal was filed.

This brief is accompanied by the fee required by 37 CFR § 41.20

This Appeal Brief is being filed in triplicate.

The Commissioner is hereby authorized to charge any fee deficiency or credit overpayment to deposit account number 50-2428 in the name of Greenberg Traurig.

Certificate of Mailing: I hereby certify that this correspondence is being deposited with the U.S. Postal Service as First Class mail, postage prepaid, in an envelope addressed to: Mail Stop Appeal Briefs – Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 26 day of April, 2007.

By: Ranni Matar  
Ranni Matar

I. Real Party In Interest

The real party in interest is W.W. Grainger, Inc.

II. Related Appeals And Interferences

An appeal is pending in related application serial no. 09/867,301.

A Decision On Appeal was rendered in related application serial no. 09/867,174 in which the rejection of the claims was reversed. A copy of this Decision On Appeal is attached.

III. Status Of The Claims

In the application, claims 1-5, 9, 10, and 12-14 remain pending and, having been finally rejected, are the subject of this appeal. Claims 6-8, 11, and 15-22 were canceled during the course of prosecution.

The Section IX appendix provides a clean, double spaced copy of the pending claims.

IV. Status Of Amendments

The claims are in condition for appeal – no amendments to the claims are pending.

V. Summary Of Claimed Subject Matter

The subject matter defined in independent claim 1 is generally directed to a transaction network for determining positioning of items within a supply chain that is distributed over a plurality of geographic locations. To this end, with general reference to Fig. 1 and paragraphs 0030-0032 of the published application (US 2002/0143598), the transaction network includes a customer maintenance system (e.g., “CMMS”) into which a work order 201 is entered and which includes information that identifies a piece of equipment to be repaired and one or more items expected to be used during a repair procedure. The transaction network also includes a customer

agent sever that is in communication with the customer maintenance system. The customer agent server extracts from a work order entered into the customer maintenance system information that identifies at least the items to be used during the repair procedure and uses the information extracted from the work order entered into the customer maintenance system to create an advance demand notice order for the items 202. The transaction network further includes a distributor system in communication with the customer agent server. The distributor system receives the advance demand notice order from the customer agent server and responds to the receipt of the advance demand notice order by calculating a probability that each of the items will need to be used during the repair procedure and determining, based on the calculated probabilities, at which one or more of the plurality of geographic locations with the supply chain each of the items needs to be positioned prior to commencement of the repair procedure 203.

Among other things, the claimed system has the advantage of automatically and immediately responding to a change, rescheduling, modification, or cancellation of a maintenance work order since the intelligent system that monitors the maintenance system will detect any such alterations and allow for a change in the advance demand notice order and, accordingly, changes in actions initiated by the distributor system, if necessary.

#### VI. Grounds Of Rejection To Be Reviewed On Appeal

1. Whether the rejection under 35 U.S.C. § 103 can be maintained when the rejection of the claims simply fails to meet the burdens associated with presenting a *prima facie* case of obviousness.

2. Whether the rejection under 35 U.S.C. § 103 can be maintained when the art relied upon in the rejection of the claims fails to disclose all of the elements claimed and, furthermore, fails to suggest modification of the primary reference to arrive at the exact invention claimed.

VII. Argument

A) Status of the claims

In the application claims 1-5, 9, 10, and 12-14 remain pending. No claims presently stand allowed.

B) Summary of the rejection of the claims

Independent claim 1 stands rejected under 35 U.S.C. § 103 as being rendered obvious by Kirkevold (U.S. Patent No. 6,263,322) as modified by Huang (U.S. Patent No. 5,953,707) as further modified by Graves (an article entitled “A Multiple Inventory Model With A Job Completion Criterion”).

In rejecting claim 1, it was asserted that Kirkevold teaches a supply chain network which includes: entering work order information identifying a piece of equipment to be repaired and one or more items expected to be used during a repair procedure; extracting from the entered work order information that identifies at least the items expected to be used during the repair procedure and creating a notice for the items; and determining, scheduling, and procuring the items extracted from the work order prior to the commencement of the repair procedure in response to the receipt of the notice, citing to the disclosed functions of “Get Parts,” “Request Part Order,” etc.

It was acknowledged that Kirkevold fails to disclose, teach, or suggest calculating a probability that each of the items will need to be used during the repair procedure and determining based on the calculated probabilities at which one of the geographic locations items need to be positioned prior to commencement of the repair procedure.

It was then asserted that Huang teaches determining based on a plurality of demand information at which one of the geographic locations items need to be positioned and Graves teaches a well-known method for calculating a probability that an item and/or set of items will be used during a repair procedure.

It was then concluded that it would have been obvious that Kirkevold “would have benefited from determining, based on the required repair items extracted from the work order, the geographic locations in a supply chain/repair network to position the items prior to the commencement of the repair in view of the teachings of Huang” and “would have benefited from calculating a probability that each of the items will need to be used during the repair procedure and stocking/positioning the items based on the calculated probabilities in view of the teachings of Graves.”

### C) Applicable Law

It is well settled that, to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the

reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). Furthermore, during the examination process the examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. If the examiner does not produce a *prima facie* case, the applicant is under no obligation to submit evidence of nonobviousness. See MPEP § 2142.

D) The Burdens Of Factually Supporting A *Prima Facie* Case Of Obviousness Have Not Been Met

It is respectfully submitted that the rejection of the claims fails to meet the burdens associated with presenting a *prima facie* case of obviousness. Specifically, it is respectfully submitted that if the rejection of the claims fails to even assert that the prior art references, whether considered alone or in combination, teach or suggest all of the elements set forth within the claims.

Considering now the rejection of the claims, it is noted that the pending claims are apparatus claims and, among other things, positively recite a customer maintenance system, a customer agent server in communication with the customer maintenance system, and a distributor system in communication with the customer agent server. While the pending claims are apparatus claims, the rejection of the claims merely alleges that various method steps are taught within the references being relied upon and simply ignores the fact that the claims positively recite a customer maintenance system, a customer agent server in communication with the customer maintenance system, and a distributor system in communication with the customer agent server. Thus, since the rejection of the claims never even asserts that the references being relied upon, at a minimum, disclose the claimed customer maintenance system, customer agent

server in communication with the customer maintenance system, and distributor system in communication with the customer agent server as is required to meet the burdens associated with presenting a *prima facie* case of obviousness, it is respectfully submitted that the rejection under 35 U.S.C. § 103 must be withdrawn.

E) The Relied Upon References Do No Disclose All Of The Elements Claimed And, Furthermore, Lack The Required Suggestion To Modify The Primary Reference

While it is not believed that the Appellant is under any obligation to submit evidence of nonobviousness, the following remarks are nevertheless being offered to provide a complete record.

In rejecting the claims it was asserted that Kirkevold discloses all of the elements claimed excepting the claimed calculating a probability that each of the items will need to be used during the repair procedure and determining based on the calculated probabilities at which one of the geographic locations items need to be positioned prior to commencement of the repair procedure. It is, however, respectfully submitted that Kirkevold fails to disclose, teach, or suggest further elements of the invention claimed. As such, it is respectfully submitted that, even if Kirkevold were to be modified in the manner espoused in the rejection, the modified Kirekevold would still fail to provide the exact invention that is set forth within the claims as is required of a *prima facie* case of obviousness.

Considering now Kirkevold, Kirkevold discloses a system in which a work order, i.e., an automobile repair order, is provided to a shop management computer system having various software applications to support various functions. However, while Kirkevold may disclose a shop management computer system which accepts a work order and which may also be used to procure items, e.g., via a “Request Part Order” function, it is respectfully submitted that

Kirkevold does not disclose, teach, or suggest, either expressly or inherently, that any computer system, let alone a customer agent server in communication with a customer maintenance system, initiates a procurement of items (via a distributor system) by extracting information from a work order prior to commencement of a repair procedure as is claimed. Furthermore, it is respectfully submitted that Kirkevold does not disclose, teach, or suggest any computer system, let alone a customer agent server in communication with a customer maintenance system, that functions to extract information from a work order *in response* to the user entering or modifying the work order as is particularly recited in dependent claim 5 - which claim it is respectfully requested to be separately considered by the Board.

While the rejection of the claims has relied upon the Kirkevold described function of “Request Part Order,” it is respectfully submitted that the “Request Part Order” function of Kirkevold is used merely to place an order for an out of stock part upon the system function being invoked and a part identification number being provided. The “Request Part Order” function of Kirkevold is never described as functioning to extract from a work order entered into a customer maintenance system information that identifies at least items expected to be used during a repair procedure or using the information extracted from the work order to create an advance demand notice for items which is to be provided to a distributor system as is expressly claimed. Similarly, the remaining functions of Kirkevold cited to in the rejection of the claims, namely “Get Parts,” “Delivery Schedule,” “Get Labor,” “Get Repair Doc,” etc., equally fail to be described as being capable of extracting from a work order entered into a customer maintenance system information that identifies at least items expected to be used during a repair procedure or using the information extracted from the work order to create an advance demand notice for items to be subsequently used by a distributor system as is expressly claimed. Thus, since it is

evident that Kirkevold fails to disclose, teach, or suggest at least these positively recited claim elements, and it has not been asserted that such is disclosed, taught, or suggested by Huang or Graves, it is respectfully submitted that the espoused combination of Kirkevold, Huang and Graves cannot be said to provide a *prima facie* case of obviousness. For this reason it is respectfully submitted that the rejection of the claims under 35 U.S.C. § 103 must be withdrawn.

In the rejection of the claims it was further asserted that Huang teaches determining based on a plurality of demand information at which one of the geographic locations items need to be positioned. It is, however, respectfully submitted that this alleged teaching of Huang which is being relied upon in the rejection of the claims still fails to account for additional elements that are positively recited within the claims and which have been acknowledged to be missing from Kirkevold in the first instance. As such, even if Huang were to be combined with Kirkevold in the manner espoused in the rejection, it is respectfully submitted that the combination of Huang and Kirkevold would still fail to provide the exact invention that is set forth within the claims as is required of a *prima facie* case of obviousness.

Considering now Huang, Huang describes that, as part of a supply chain decision process (shown in Fig. 9) it may be desirable to estimate future repair requirements to thereby establish a replenishment policy for an inventory of a facility. However, while Huang describes that this mental process may be used in connection with formulating a detailed repair plan, it is respectfully submitted that Huang fails to disclose, teach, or suggest that which has been acknowledged to be missing from Kirkevold, namely, a distributor system in communication with a customer agent server wherein the distributor system *responds* to a receipt of an advance demand notice order (generated from a work order by the customer agent server) by determining, based on calculated probabilities or anything else, at which one or more of a plurality of

geographic locations within a supply chain each of the items (specified in the advance demand notice order) needs to be positioned prior to commencement of a repair procedure. Accordingly, since Huang, like Kirkevold, fails to disclose, teach, or suggest the expressly claimed distributor system which functions *to respond* to a receipt of an advance demand notice order (generated from a work order by the customer agent server) by determining at which one or more of a plurality of geographic locations within a supply chain each of the items (specified in the advance demand notice order) needs to be positioned prior to commencement of a repair procedure, it is respectfully submitted that the combination of Kirkevold, Huang, and Graves cannot be said to provide for a *prima facie* case of obviousness. For this further reason it is respectfully submitted that the rejection of the claims under 35 U.S.C. § 103 must be withdrawn.

In the rejection of the claims it was still further asserted that Graves teaches “a well-known method for calculating a probability that an item and/or set of items will need to be used during a repair procedure” and, as such, it was concluded that it would have been obvious that Kirkevold would have benefited from this teaching. It is, however, respectfully submitted that whether or not Kirkevold would have benefited from this teaching does not evidence that one of skill in the art would have been led to modify Kirkevold to arrive at the exact invention that is claimed as is required of a *prima facie* case of obviousness.

While Graves may disclose a formula which uses a calculated probability that an item or set of items will need to be used during a repair procedure to minimize inventory holding costs, it is respectfully submitted that Graves still fails to disclose, teach, or suggest the desirability of using such a formula in connection with a distributor system that is communication with a customer agent system whereby the distributor system will be adapted to respond to a receipt of an advance demand notice order from the customer agent system by calculating a probability that

each item specified in the advance demand notice order will be needed in a repair procedure and to then further use the calculated probabilities to determine at which one of a plurality of geographic locations within a supply chain the items need to be positioned as is further required by the invention claimed. Rather, the only reference of record that suggests the desirability of a distributor system which responds to a receipt of an advance demand notice order to both calculate probabilities items will be needed in a repair procedure and use the calculated probabilities in the manner that is expressly claimed is the Appellant's application. Thus, since the teaching or suggestion to provide a distributor system with the ability to calculate probabilities in response to a receipt of an advance demand notice from a customer agent server and to then use the calculated probabilities to position items at one or more geographic locations within a supply chain cannot be found in any of Kirkevold, Huang, or Graves, with the teaching or suggestion being found solely within the Appellant's application, it is respectfully submitted that it is evident that the rejection of the claims could only have been arrived at through the impermissible use of hindsight reasoning, i.e., the impermissible using of the claims as an instruction manual or "template" to piece together individual elements selected in isolation from each of Kirkevold, Huang, and Graves. For this still further reason it is respectfully submitted that the combination of Kirkevold, Huang, and Graves fails to present a *prima facie* case of obviousness and the rejection under 35 U.S.C. § 103 must be withdrawn.

F) Conclusion

It is respectfully submitted that the application is in good and proper form for allowance.

Such action of the part of the Board is respectfully requested.

Respectfully Submitted;

Date: April 26, 2007

By:



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VIII. Claims Appendix

The following is a clean copy of the claims involved in the appeal:

1. A transaction network for determining positioning of items within a supply chain that is distributed over a plurality of geographic locations, comprising:

a customer maintenance system into which a work order is entered including information that identifies a piece of equipment to be repaired and one or more items expected to be used during a repair procedure;

a customer agent server in communication with the customer maintenance system which extracts from the work order entered into the customer maintenance system the information that identifies at least the items expected to be used during the repair procedure and which uses the information extracted from the work order entered into the customer maintenance system to create an advance demand notice order for the items; and

distributor system in communication with the customer agent server which responds to a receipt of the advance demand notice order that was created using the information extracted from the work order to calculate a probability that each of the items will need to be used during the repair procedure and to determine, based upon the calculated probabilities, at which one or more of the plurality of geographic locations within the supply chain each of the items needs to be positioned prior to commencement of the repair procedure.

2. The transaction network as recited in claim 1, further comprising a supplier system that cooperates with the distributor system by initiating a replenishment at geographic locations within the supply chain of items that are determined by the distributor system in response to the

receipt of the advance demand notice to need repositioning to a new geographic location within the supply chain.

3. The transaction network as recited in claim 1, wherein the customer maintenance system comprises a computerized maintenance management system.

4. The transaction network as recited in claim 1, wherein the customer maintenance system comprises an enterprise asset management system.

5. The transaction network as recited in claim 1, wherein the customer agent server comprises an intelligent agent that extracts the information from the customer maintenance system in response to a user entering or modifying a work order.

9. The transaction network as recited in claim 1, further comprising a transportation agent system in communication with the distributor system that coordinates with the distributor system to assist in positioning items at geographic locations within the supply chain as determined to be needed by the distributor system in response to receipt of the advance demand notice.

10. The transaction network as recited in claim 9, wherein the distributor system comprises an intelligent agent in communication with the transportation agent system that monitors positioning of the items at geographic locations within the supply chain.

12. The transaction network as recited in claim 10, wherein the intelligent agent forms a corrective fulfillment plan if the intelligent agent determines that the items are not being positioned within the supply chain as determined to be needed by the distributor system in response to the receipt of the advance demand notice.
13. The transaction network as recited in claim 1, wherein the distributor system comprises an equipment knowledge base having stored information for use in calculating the probability that each item will need to be used during the repair procedure.
14. The transaction network as recited in claim 13, wherein the customer agent server extracts from the customer maintenance system for populating the equipment knowledge base the information used in calculating the probability that each item will need to be used during the repair procedure.

**IX. Evidence Appendix**

No evidence is being submitted herewith.

X. Related Proceedings Appendix

A copy of the Decision On Appeal in related application no. 09/867,174 is submitted herewith.

*CHI 56685405v1*



The opinion in support of the decision being entered today  
was not written for publication and  
is not binding precedent of the Board.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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U.S. PATENT AND TRADEMARK OFFICE  
BOARD OF PATENT APPEALS  
AND INTERFERENCES

Ex parte ROBERT H. SCHEER

Appeal No. 2006-1854  
Application No. 09/867,174  
Technology Center 3600

ON BRIEF

Before OWENS, NAPPI and FETTING, Administrative Patent Judges.

NAPPI, Administrative Patent Judge.

**DECISION ON APPEAL**

This is a decision on appeal under 35 U.S.C. § 134 of the final rejection of claims 11 through 20. Claims 1 through 10 have been canceled. For the reasons stated *infra* we will not sustain the examiner's rejection of claims 11 through 20.

## THE INVENTION

The invention relates to supply chain management, specifically a method of selecting a fulfillment plan for moving an item within a supply chain. See page 1 of appellant's specification. Claim 11 is representative of the invention and is reproduced below:

11. A computer readable media having instructions executable by a computer for use in selecting a fulfillment plan for moving an item within a supply chain distributed over a plurality of geographic locations, the instructions performing steps comprising:
  - receiving an order for an item;
  - in response to receipt of the order for the item constructing a plurality of alternative fulfillment plans for moving the item from a sourcing point to each of the plurality of geographic locations within the supply chain;
  - evaluating each of the constructed plurality of alternative fulfillment plans against a predetermined criteria; and
  - selecting for implementation one of the constructed plurality of alternative fulfillment plans that most closely meets the predetermined criteria, the selected one of the plurality of alternative fulfillment plan being used to position the item at one of the plurality of geographic locations within the supply chain thereby making the item available for use in meeting the order.

## THE REFERENCES

The references relied upon by the examiner are:

|           |           |                               |
|-----------|-----------|-------------------------------|
| Dietrich  | 5,216,593 | Jun. 01, 1993                 |
| Altendahl | 6,571,213 | May 27, 2003 (Dec. 30, 1999)  |
| Landvater | 6,609,101 | Aug. 19, 2003 (Mar. 25, 2000) |

## THE REJECTION AT ISSUE

Claims 11, 12, and 14 through 20 stand rejected under 35 U.S.C. § 103 as being unpatentable over Altendahl in view of Landvater. Claim 13 stands rejected under 35 U.S.C. § 103 as being unpatentable over Altendahl in view of Landvater and Dietrich. Throughout the opinion we make reference to the briefs and the answer for the respective details thereof.

## OPINION

We have carefully considered the subject matter on appeal, the rejections advanced by the examiner and the evidence of obviousness relied upon by the examiner as support for the rejections. We have, likewise, reviewed and taken into consideration, in reaching our decision, Appellant's arguments set forth in the briefs along with the examiner's rationale in support of the rejections and arguments in rebuttal set forth in the examiner's answer.

With full consideration being given to the subject matter on appeal, the examiner's rejections and the arguments of appellant and the examiner, for the reasons stated *infra* we will not sustain the examiner's rejections of claims 11 through 20 under 35 U.S.C. § 103.

Appellant argues, on page 5 of the brief, that Altendahl teaches a system where a single geographic destination for an item is required to be first established. As such, appellant argues, on pages 5 and 6 of the brief, that Altendahl does not:

teach, or suggest at least the claimed elements of constructing a plurality of alternative fulfillment plans for moving an item that is the subject of an order from a sourcing point to each of plural geographic locations within the supply chain, evaluating each of the constructed plurality of alternative fulfillment plans against a predetermined criteria, and then selecting for implementation one of the constructed plurality of alternative fulfillment plans that most closely meets the predetermined criteria to thereby position the item that is the subject of the order at one of the plural geographic locations within the supply chain to thereby make the item available to meet the order. (emphasis original)

Further, on pages 6 and 7 of the brief, appellant argues that Landvater discloses a system to forecast replenishment needs at specific locations, i.e., determine the quantity of items to be shipped to a plurality of locations. On page 7 of the brief, appellant asserts that Landvater “is simply silent as to any method for constructing or selecting a plan to move the forecast amount of items at the forecast time to each of the retail stores.” As such, appellant concludes that Landvater fails to suggest the desirability of constructing a plurality of alternative fulfillment plans for each of a plurality of geographic locations within the supply chain as claimed. Appellant asserts, on page 8 of the brief, that if Altendahl and Landvater were combined, Landvater’s teaching would provide the destinations for the packages to be shipped and Altendahl’s teaching would provide a system of selecting the route to the destinations. Appellant asserts, on page 9 of the brief, that this would not be the claimed system “in which the geographic location in which an item that is the subject of the order is to be positioned is not known until after the instructions evaluate each of the *construed alternative fulfillment plans for each of a plurality of geographic locations within a supply chain* against a predetermined criteria.” (emphasis original).

The examiner’s response to appellant’s arguments is on pages 7 through 14 of the answer. On pages 7 and 8 of the answer, the examiner finds that Altendahl teaches all of the limitations of claim 11 “*except that [a] plurality of geographical destinations are considered instead of one.*” (emphasis original) The examiner finds that Altendahl suggests that fulfillment plans are constructed for plural parcels which could be destined for different addresses. On pages 8 and 9 of the answer, the examiner finds that Landvater teaches moving an item or items to replenish inventories in a plurality of stores in a supply chain. Based upon these findings the examiner states, on page 9 of the answer that:

the teachings of Landvater are applicable to the Altendahl's example of a business company ordering computer systems on [sic: from] a seller because it would be obvious to one of an ordinary skilled [sic.] in the art that a business company can have several installations/stores at different geographical locations requiring [the] same items and supplies so that they are ordered simultaneously for all the branches to save cost of operation and get price advantage.

The examiner states, on page 12 of the answer, that the order or sequence of the steps in a method is not a requirement unless the claim specially recites them as so. Further, on page 14 of the answer, the examiner states:

In response to the applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., *the geographic location in which an item that is the subject of the order is to be positioned is not known until after the instructions evaluate each of the constructed alternative fulfillment plans for each of a plurality of geographic locations within a supply chain against a predetermined criteria.*) are not recited in the rejected claim(s). (emphasis original)

We disagree with the examiner's claim interpretation and consequently with the examiner's determination that the claims are obvious over the combination of Altendahl and Landvater. We concur with the examiner that the claim does not directly recite "the geographic location in which an item that is the subject of the order is to be positioned is not known until after the instructions evaluate each of the constructed alternative fulfillment plans for each of a plurality of geographic locations within a supply chain against a predetermined criteria." Nonetheless we find that the scope of the claim is limited to such a system. Claim 11 recites:

in response to receipt of the order for the item constructing a plurality of alternative fulfillment plans for moving the item from a sourcing point to each of the plurality of geographic locations within the supply chain;  
evaluating each of the constructed plurality of alternative fulfillment plans against a predetermined criteria; and  
selecting for implementation one of the constructed plurality of alternative fulfillment plans that most closely meets the predetermined criteria.

We hold that the claim necessarily requires the steps to be performed in the order recited. The alternative fulfillment plans are constructed in response to receipt of an order, the evaluation of the fulfillment plans can not occur until after the fulfillment plans are constructed and the selection of the fulfillment plans can not occur until they are evaluated against the criteria. Further, claim 11 recites “the selected one of the plurality of alternative fulfillment plan being used to position the item at one of the plurality of geographic locations within the supply chain,” thus claim 11 recites a system that determines the location for an ordered item to be moved to in response to evaluating and selecting a plan to move the ordered item from a sourcing point to more than one location. We do not find that, either Altendahl or Landvater teach or suggest such a feature.

We find that Altendahl teaches a system which evaluates a plurality of methods of shipping a package and selects the appropriate shipping method based upon a set of rules. While Altendahl does teach that the rules may cover a plurality of locations (see for example, figure 6 and discussion in column 12, lines 19 through 39), we do not find that Altendahl teaches or suggests that in response to an order, more than one destination is evaluated for the same order and a determination is made as to which destination the item ordered is to be shipped. We find that Landvater teaches a system for forecasting a retail store’s needs for items. See abstract. While Landvater does teach the items may be shipped to different locations in the supply chain, we do not find that Landvater, in response to an order, constructs alternative fulfillment plans to ship the ordered item to different locations and then select the location based upon an evaluation of the fulfillment plan. Thus, we do not find that the combination of Altendahl and Landvater teach or suggest the invention as claimed in independent claim 11. Claims 12 and 14 through 20 depend upon claim 11. Accordingly, we will not sustain the examiner’s rejection of claim 11, 12, 14 through 20 under 35 U.S.C. § 103 as being unpatentable over Altendahl in view of Landvater.

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The examiner rejected claim 13 under 35 U.S.C. § 103 as being unpatentable over Altendahl in view of Landvater and Dietrich. Claim 13 depends upon claim 11. The examiner has not asserted nor do we find that Dietrich teaches or suggests modifying Altendahl or Landvater to construct alternative fulfillment plans to ship the ordered item to different locations and then select the location based upon an evaluation of the fulfillment plan. Accordingly, we will not sustain the examiner's rejection of claim 13 for the reasons discussed *supra* with respect to claim 11.

Accordingly, we will not sustain the examiner's rejection of claims 11 through 20, under 35 U.S.C. § 103. The decision of the examiner is reversed.

**REVERSED**

*Terry J. Owens*  
TERRY J. OWENS  
Administrative Patent Judge

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